

HOUSE No. 305

By Mr. Petruccelli of Boston, petition of Anthony Petruccelli that the Port Authority be directed to establish a special retiree benefit trust fund for employees of said authority. Public Service.

The Commonwealth of Massachusetts

In the Year Two Thousand and Five.

AN ACT ESTABLISHING A RETIREMENT BENEFIT FOR EMPLOYEES OF THE MASSACHUSETTS PORT AUTHORITY.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. The Retirement Board of the Massachusetts Port
2 Authority is hereby directed to establish a retirement benefit fund
3 for retired employees, and the eligible surviving spouse or depen-
4 dents of deceased employees. Such funds shall be credited to a
5 special fund to be known as the Retiree Benefit Healthcare Trust
6 Fund. The funding for such shall be initiated by appropriating and
7 transferring all funds presently in the Massachusetts Port
8 Authority Retirement System which exceed one hundred and
9 twenty (120%) per cent of funding necessary for that system to
10 meet all it's liabilities as established by the annual report of the
11 system actuary. Any interest or other income shall be added to and
12 become part of such fund. Any funds in said Retiree Benefit Fund
13 shall be trust funds within the meaning of section 54 of chapter 44
14 of the General Laws. The Massachusetts Port Authority
15 Employees' Retirement Board, or their designee, by a majority
16 vote of such Board, shall be the custodian of such fund, and may
17 deposit the proceeds in national banks or invest the proceeds by
18 deposit in savings banks, cooperative banks, or trust companies
19 organized under the laws of the commonwealth or in federal sav-
20 ings and local associations situated in the Commonwealth or
21 invest the same in such securities as are legal for the investment

22 of funds of savings banks under the laws of the Commonwealth.
23 The Board may employ any qualified bank, trust company, corpo-
24 ration, firm or person to advise them on the investment of the fund
25 and may pay for such advice. Amounts shall be added to such
26 fund upon the publishing of the Retirement system's annual
27 actuary report and the establishment that the Retirement Fund
28 exceeds twenty per cent of the funding need to meet all liabilities.
29 All amounts which exceed one hundred and twenty (120%) per
30 cent as described above shall be transferred to The Retirees' Ben-
31 efit Healthcare Trust Fund Amounts. The Retirement Board may
32 expend such funds for the benefit of the retirees following a
33 majority vote of said Board. Funds may be utilized for the pur-
34 poses of this trust fund by appropriation at any meeting of the
35 Massachusetts Port Authority Retirement Board. Monies which
36 exceed the One Hundred and Twenty (120%) Per Cent funding
37 shall be transferred to the Retirees Benefit Healthcare Trust Fund
38 account on an annual basis on the anniversary of the initial
39 transfer of such funds.

1 SECTION 2. The primary expenditure of funds established
2 within section 1 above shall be for healthcare costs of retired
3 members and the eligible surviving spouse or dependents of
4 deceased employees. Said funds shall not be expended until 12
5 calendar months has past since the date of the initial deposit as
6 described in section 1 above or upon which time by a majority
7 vote of the Retirement Board said funds meet or exceed 25% of
8 existing healthcare cost for retirees and the eligible surviving
9 spouse or dependents of deceased employees as presently estab-
10 lished by the Massachusetts Port Authority. Expenditures of funds
11 shall for healthcare costs shall be in increments of 25% until such
12 time as the Retirement Board deems the funds are stabilized and
13 will meet 100% of the healthcare costs per year thereby allowing
14 for the transfer of healthcare costs from the Massachusetts Port
15 Authority to the Massachusetts Port Authority Employees Retire-
16 ment System Benefit Trust Fund.

1 SECTION 2A. Secondary expenditures for such chapter 32
2 benefits as section 90 allowance increases and cost of living

3 increases shall be passed on to the trust fund established in
4 section 1 above at such time as the fund meets 100% of yearly
5 healthcare costs and said expenditure would not lower the
6 required 100% funding for healthcare costs.